

BLUEPRINT for Economic Democracy

(Outline of the Holdridge Plan)



BY:

HERBERT C. HOLDRIDGE

Brigadier General, U.S. Army (Retired)

Herbert C. Holdridge was born in Wyandotte, Michigan. His early years were spent in Detroit. Later his family moved to a farm near Pontiac, Michigan. At the age of 13 he was forced to quit school before completing the 8th grade, and worked as a farm hand.

At the age of 19, distressed by his lack of education, he determined to enter West Point, an accomplishment almost impossible of achievement under the conditions. Nevertheless, largely by self-study, he succeeded in entering West Point in 1913. He graduated in 1917.

His military career took him into the Cavalry, the Quartermaster Corps, and the Adjutant General's Department (the Army administrative corps), and to stations throughout the United States and Foreign Countries, generally at higher headquarters. He graduated from the Command and General Staff School and was carried on the General Staff Eligible List.



During World War II he achieved distinction for streamlining and modernizing the administrative system of the army, introducing new techniques of business and personnel management. He established the Adjutant General's School, Fort Washington, Maryland, and its 19 branches located at colleges and universities—the largest administrative school in the world. He is proud of the fact that he has never been called upon to fire a shot at a fellow-being.

General Holdridge's interest in social sciences dates from his Cadet days. He returned to West Point as an instructor in Social Sciences, and later as Assistant Professor of History. He also taught History briefly at Columbia University. At this time he obtained his M.A. Degree in Social Sciences from Columbia. He also received two Doctor of Laws Degrees in 1943, one from American University, Washington, D.C., and the other from Grinnell College, Grinnell, Iowa, for his accomplishments in administration and social sciences.

After his retirement in 1944 in the rank of brigadier general, he was free to devote his full time to his major interest—human welfare. As a true "American Liberal" he has now devoted his life to sustaining and expanding the principles of freedom written into our Declaration of Independence and the Bill of Rights of our Constitution. He feels that the enemy on the "right" has been neglected because of over-emphasis on the enemy on the "left."

General Holdridge has a broad background as a deep student and teacher of social sciences. In spite of his military training—during much of which time he was a nonconformist—he emerges as a champion of the cause of peace and democracy—a man of the people who has dedicated his life to serving his fellowman.

CONTRASTING ECONOMIES

CAPITALISM:

ECONOMIC ABSOLUTISM. Production and distribution for private profit, instead of "to promote the general welfare" as prescribed by our Constitution. Private ownership of the means of production and distribution. Undemocratic, highly centralized, unconstitutional, unethical. National and international USURY.

FASCISM:

Capitalism, enforced by the police power of the state. Centralized control by a small oligarchy.

COMMUNISM: (In operation—Russia). **POLITICAL** absolutism under the Communist Party. A degree of **ECONOMIC** democracy. Production and distribution for use, with some variations. Community ownership of means of production, but dominated, in the last resort, by the political oligarchy. The individual controlled by the state.

SOCIALISM: (In operation—as formerly in England). Government monopoly. Bureaucratic control of the national economy within the incentives of the system of private profits.

TECHNOCRACY: (As proposed by followers of Howard Scott). Technologically sound. In harmony with American concepts. Administratively unsound. Undemocratic. Bureaucratic control by a technical elite. Technological totalitarianism.

THE HOLDRIDGE PLAN:

Combines both **POLITICAL** and **ECONOMIC** democracy. Constitutional. Democratic control over industry by technically qualified personnel. Cooperative ownership of the means of production and distribution, under the control of the "Sovereign People", not by bureaucracies. Elimination of the obsolete and wasteful system of usury. Civil liberties extended into the economic world.

FOREWORD

The liberties of humanity have been founded on the great Charters wrested from despotic rulers—the Magna Charta of England, the Declaration of the Rights of Man of France, the Declaration of Independence and the Preamble and Bill of Rights of our Constitution. Once more a great crusade for freedom challenges our determination. All of the liberties achieved in the past are under attack by a new form of despotism—the **ECONOMIC**. In our great land of abundances, economic insecurity is epidemic. Man's right to labor by the sweat of his brow has become a privilege to be yielded or withheld at the whim of an economic order which is carrying us to international collapse and an international war of annihilation.

We offer our program as a "charter of economic justice", to stand side by side with other great charters of freedom, as a positive proposal for the establishment of a new era of abundance. We propose to promote this program with good will, to establish a new order of cooperation, abundance, democracy and economic justice, under our own Constitution and our own institutions.

This program is in no sense considered final. Certain basic principals are stated. We hope that they will invite the presentation of other positive proposals to solve our crisis, and that then out of friendly, intelligent discussion, a practical program of action may be formulated.

THE UNITED STATES AT THE CROSSROADS

It is clear to every thinking man and woman in the United States that our country is in a desperate situation.

Our bi-partisan foreign policy has collapsed, our former friends and allies are turning from us, and we have been thrown back within our own borders politically and economically. Similarly, our bi-partisan economic policy has begun to disintegrate. The depression of 1929—in spite of the billions of dollars wasted in the WPA of the 1930s; followed by the WPA of World War II, the WPA of 1948-49, and the WPA of the Korean War—is still with us and each day growing more alarming.

Our civil liberties guaranteed under the Bill of Rights of our Constitution are being systematically stripped from us by advocates of philosophies alien to our institutions and traditions.

The underlying causes of our deplorable situation are found in a conflict that has been going on in the United States from the time our government was first formed, between our constitutional political democracy, and an unconstitutional financial "Invisible Empire".

When our forefathers established in this land a new nation, they gave practical expression to the desires of men for liberty, democracy and security. The purpose of government as stated in the Preamble to the Constitution was to "promote the general welfare". The rights of the individual were secured under the Bill of Rights. To administer this basic charter they provided three coordinate branches of government—the Executive, Legislative and Judicial. No special provision was made for popular control of the national economy. This was a natural omission, because we were still a primitive people, the economy was localized, and whatever coordination was necessary could be secured through the Town Meetings, or through Congressional action. This was the first force which has been striving for its very life—our political, constitutional democracy.

The second force came into existence at almost the same time, as an outgrowth of the first Industrial Revolution. This was an economic power founded on the beginnings of machine technology. The new technology was seized by men of wealth who converted it to their own use. On it they founded the modern system of production for private profit. We call it by its true name: "**CAPITALISM**". It is a system of *production* and *distribution* based on the incentive of **PRIVATE PROFIT**.

We have become indoctrinated into believing that "Capitalism" is synonymous with "Democracy" and the "American Way of Life." Actually, it is just the opposite. Webster defines Capitalism as an economic system which concentrates wealth into the hands of the few, and this it has done in actual practice. As our country expanded territorially there came on the heels of such expansion a similar expansion and concentration of capitalistic control. Today approximately 5% of our population owns OR CONTROLS 95% of the wealth of the country. Control by the leaders of this system is exactly the opposite of our political control. It is highly centralized in Wall Street, not decentralized territorially to the States; totalitarian and absolute, not democratic; unconstitutional, not constitutional.

CAPITALISM NOT CONSTITUTIONAL

The unconstitutional nature of this control is clearly evident upon analysis. The purpose of government under the Constitution is "promote the general welfare". The Bill of Rights was designed to protect the liberty and integrity of the individual. Let us note how Capitalism has destroyed these basic principles:

(1) Our country has fallen under the domination of a few hundred individuals. The economic and international policies of the country are not directed by Congress, but by this "Invisible Empire", whose headquarters are in Wall Street and other financial centers of the world. The people have become the "legion of the dispossessed". No one regards their "general welfare".

(2) Since the founding of our Government the forces of private profit have swept across our country like a swarm of locusts, and what they have not converted to their own use they have wasted. Our forests have been stripped, our mines gutted, our top soils washed into the sea, our oil resources abdicated into their hands, our rivers exploited for private gain, our commerce monopolized.

(3) Our monetary system, which under the Constitution was reserved for control by Congress, has been abdicated into the hands of PRIVATE corporations cynically mis-named the *Federal Reserve Banks*—the greatest financial racket in the history of the world.

(4) Under the manipulation of the "Invisible Empire" depression is again mounting. In this land of abundance, in which it is sacrilegious that a single man who is willing and able to work should be denied employment to care for himself and his family, millions are already destitute. Millions more will soon join them.

(5) Under the domination of the "Invisible Empire", our liberties guaranteed under the Bill of Rights have been denied; our politicians converted into puppets; our courts subverted; our freedom of speech and press imperiled; our public health, education and religious expression perverted; our military leaders converted into hired mercenaries of the economic dictatorship.

(6) To maintain its power throughout the world our finances have been exploited to promote world armaments which have bankrupted us, to turn the world into an armed camp, to bribe foreign nations and intimidate those which cannot be bribed. Under its shadow we have become, in a few short years, the most hated nation in the world.

Certainly, at home and abroad, the unconstitutional "Invisible Government" has destroyed the "general welfare", has undermined individual liberties, has brought on economic collapse, and has brought us face to face with the dire threat of an annihilating war with atomic weapons.

CAPITALISM DOOMED

But now the "Invisible Empire" of capitalism collapses in its very moment of triumph. It dies of weaknesses inherent in the system itself. The explanation for its collapse must be found within the incentive of production and distribution for PROFIT. Machine technology has solved the problem of PRODUCTION. The profit system cannot distribute the abundance produced.

In theory, Capitalism distributes the goods produced as follows: (1) savings are accumulated; (2) they are invested in enterprises *in the hope of profit*; (3) such enterprises give employment—wages—to the workers; (4) sales of goods paid with such wages pay profits on the investments; (5) new savings are accumulated, starting a new cycle.

This cycle has now broken down. The theory fails. The system collapses. Systems come and go—systems are not important. Only people are important.

There are four reasons—four dilemmas—faced by Capitalism which make it impossible for the profits system to perpetuate itself.

FOUR DILEMMAS OF CAPITALISM

(1) THE DILEMMA OF MONOPOLY OF WEALTH:

The *real* profits are not money, but the REAL WEALTH of the country—industries, mines, forests, oil resources, waterfalls, homes, farms, etc. The process of concentration of wealth has progressed so far that the wealth of the country has fallen into the hands of a handful of men—the 5% group which owns or controls 95% of the national wealth. The rest of the people own nothing with which to pay the tremendous profits demanded by the system. The profits system, having already acquired ownership of the bulk of the REAL WEALTH, nothing more remains which may be used to serve as profits. THE PROFITS SYSTEM HAS CHOKED TO DEATH ON PROFITS.

(2) THE DILEMMA OF CAPITALISTIC SATURATION:

Capitalism must expand continuously or perish. It must invest and reinvest the tremendous earnings it receives each year which it cannot consume. The amounts available increase in a geometric ratio, (compound interest plus financial juggling). If Capitalism is to survive, outlets for reinvestment of its earnings must increase in the same ratio. But we have reached the SATURATION POINT of reinvestment. We already have all the plant we need to produce abundance. The amounts available for reinvestment run into many billions of dollars annually. We do not need the new plant represented by these billions of dollars. So Capitalism is all dressed up with no place to go.

To save itself, Capitalism tries to expand in foreign countries. This is why Capitalism leads to war. In trying to exploit the peoples of the world it comes into conflict with other nations which are determined to check it, and who hate us even as they are forced to accept our financial doles which destroy their own liberties. And now two other great nations, Russia and China, stand across the path of capitalistic international expansion. World War III, if it comes, will be fought to extend the profits system throughout the world—not the American Century", but the "Wall Street Century".

Warfare offers one positive advantage to Capitalism. The demand for the exportation of violence creates demands for armaments, paid for by the American taxpayer—an international WPA with the police power of the State acting as tax collector to pay profits—through—taxation to the "Invisible Government".

(3) THE DILEMMA OF TECHNOLOGY:

Capitalism cannot compete with technology. All of the workers are not needed to produce, since technology is gradually reducing human labor to zero. But if we use technology instead of men, the workers do not receive wages to purchase the goods produced, and thus goods cannot be sold, and profits cannot be made. Technology, UNDER THE PROFIT SYSTEM, takes over the jobs of workers, which destroy purchasing power, which destroys profits. And now we see the dawn of a new era of super-technology "automation"—which threatens the very structure of man-made production.

(4) THE DILEMMA OF ABUNDANCE:

Technology has created a world of abundances, actual and potential. But that abundance destroys the foundations of the profits system. The foundations of profit rest on SCARCITY. Profits can be made only when goods are scarce—when supply is less than demand. If supply is less than demand—when goods are scarce—profits can be made. If supply is greater than demand, when goods are abundant—profits cannot be made. The new revolution of technology, by creating abundances, has destroyed the foundation of scarcity necessary for the survival of the profits system. We starve, UNDER CAPITALISM, because we have too much. That is why we attempt to create artificial scarcities by taking our tremendous stockpiles of consumers' goods and burn them, hide them in caves, bury them, dump them into the ocean, and "plow them under"—forgetting that in "plowing under" crops, we are, in fact, "plowing under" the people.

CAPITALISM NO LONGER A CHOICE

It is clear, therefore, that there is no longer a choice, in the world of abundances, between Capitalism and something else. WE MUST CHOOSE SOMETHING ELSE! This is a basic conclusion which we, as an intelligent people, must accept intellectually if we wish to save ourselves from disaster. By the same token, that "something else" need not be Communism, as both Capitalists and Communists would have us believe. We can, and must, work out our own design to distribute abundances.

DAWN OF A NEW ERA

This is not the time for defeatism, but for optimism. Whatever we can imagine, we can achieve practically. We are still the greatest nation in the world—in skilled manpower, production plant, natural resources, science, technology and leadership. Instead of losing our securities and liberties to a disintegrating, totalitarian economic system through inaction, we need merely to re-define our purposes. Then, starting with a clean sheet, using the best of the past and ignoring all ideologies in conflict with our own American traditions, we can establish, through Constitutional, legal means, a practical design to carry these purposes into effect.

OBJECTIVES

We commence by stating our purpose—our objectives. We know that we have solved the problem of producing abundance, that we can assure social and economic security at levels higher than ever dreamed of by man. Our primary problem of the New Age will be to make intelligent use of our leisure.

(1) Democracy and liberty, under our Constitution, must be extended into the economic field from which they are now barred. Control over our economic system must rest in the hands of the "sovereign people". Without economic democracy, all concepts of political democracy are meaningless.

(2) We have solved the problem of how to make a living. We must now solve the problem of HOW TO LIVE. "Man does not live by bread alone". Materialism must be the means to the end, and not the end itself. New horizons will open to all in developing a new culture, for self-expression in education, health, literature, drama, music, the arts, athletics.

(3) We must restore to our citizens, and particularly to our workers, a sense of personal significance. The profits system has dispossessed millions from any share in our economy, and has reduced the worker to the status of a tool, to be thrown on the rubbish heap when his productive usefulness is ended. It has deprived our people of a sense of BELONGING, of PARTICIPATING, of ACHIEVING. They must become share-holders and participants in their own right, in our highly-integrated technical society.

(4) The key-note of the New Age must be COOPERATION, not COMPETITION; on brotherhood and understanding, not antagonisms and hatred; on unity, not disunity and conflict; on peace, not war. It must free the potentialities of the entire people, rich and poor, labor and management, without discrimination as to race, religion or color. The entire people must unite, let the dead past bury its dead and work together in harmony to bring about a new order of security, democracy and justice.

(5) We must so develop our new economy of abundance, with production for use "to promote the general welfare", to assure economic justice for all—to the students attending schools, to the workers, and to those who have passed beyond working years and have before them many years of continued growth and self-expression.

(6) Finally, our new order must be such as will set our house in order to establish a basis for understanding with all of the nations of the world, leading to the elimination of all armaments, to world peace, and finally to world cooperation.

ECONOMIC RECONSTRUCTION

As we proceed with the details of our plan of economic and social reconstruction, we note that two major problems must be met: (1) an administrative, technically-proficient control over our economy, operating through democratic techniques; and (2) a new design of distribution—of exchange of goods—to replace the outmoded profits incentive.

FUNCTIONAL

Our Founding Fathers provided *three* coordinate branches of government: the Executive, Legislative and Judicial. They left a gap—a vacuum—by failing to include democratic controls over the economic order. We fill that vacuum, by adding, through Constitutional action, a **FOURTH COORDINATE BRANCH, the ECONOMIC**. Our government now constitutes a **REPRESENTATIVE, DEMOCRATIC, POLITICAL REPUBLIC**. We add the **FOURTH BRANCH** to transform it into a **REPRESENTATIVE, DEMOCRATIC, POLITICAL—ECONOMIC REPUBLIC**, using well-known and well-established techniques.

BLUEPRINT FOR ECONOMIC DEMOCRACY

The appended chart—blueprint—shows the proposed democratic structure of the **FOURTH BRANCH** of government, and its general relationships to the other three. The chart is self-explanatory. It depicts the structure of a **COOPERATIVE COMMONWEALTH** with the “sovereign people” in control. Let us summarize some of the more important features of the administrative structure.

THE “SOVEREIGN PEOPLE”

We start at the bottom. Our national industries and occupations group themselves naturally into a dozen or so major activities. We propose to organize them into major national *cooperatives* (or guilds, or labor unions, or whatever we may wish to call them). They would function at the lowest level within each industry substantially in the same manner as the New England “Town Meetings”. Through these local units the workers would express their authority over the details of production and distribution within their industries.

It is anticipated that the **LEGISLATIVE BRANCH**, democratically elected, would concern itself with national economic **POLICIES**, while the **ECONOMIC BRANCH** would concern itself with technical planning of production and distribution under such announced policies.

All workers engaged in producing goods or services—executives “white collar” workers, technical and unskilled laborers, would automatically become members of their chosen occupational cooperative. Selection of occupation, under a *free labor force*, would be voluntary, and a national **PERSONNEL PLACEMENT SERVICE** (U.S. Employment Service), would be responsible for assisting the individual to find the occupation desired and for which best fitted.

Provision could easily be made to permit those who wish to remain apart from the cooperative structure—artists, musicians, clergymen, etc.—to do so. The advantages for belonging to a cooperative would far outweigh the advantages for remaining apart, for the entire system would be designed for the special purpose of permitting every individual to express himself to the maximum.

ECONOMIC DEMOCRACY

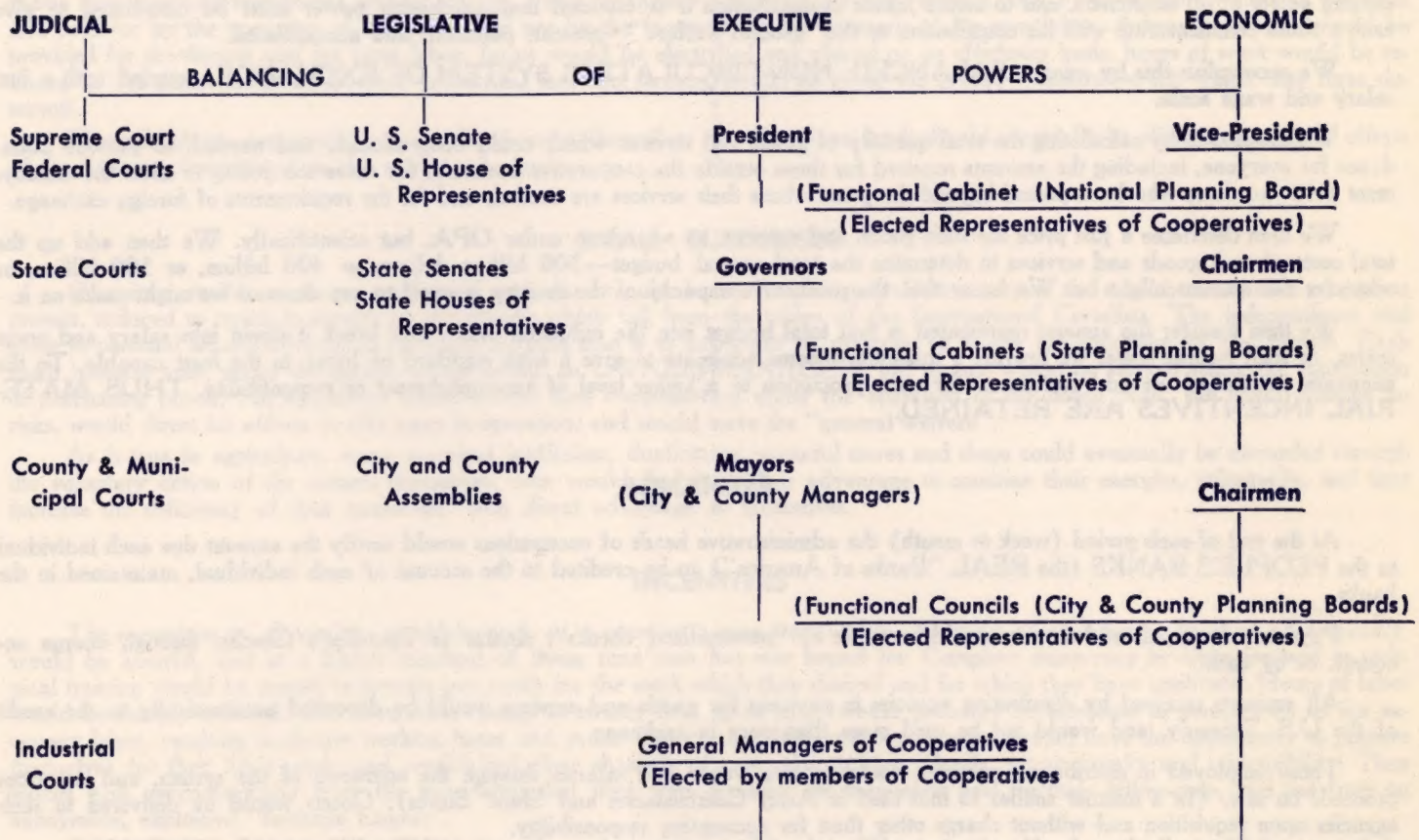
Only those who had established their **TECHNICAL QUALIFICATIONS** by training and demonstrated ability, would be eligible for election within the cooperatives. It would be fatal to try to operate our highly technical, integrated economy with politicians or amateurs.

The members of the local cooperatives would elect the representatives of their occupations—the local managers of industries and occupations; the members of the City and County Councils; the members of the revised State Cabinets; and finally their representatives on the revised United States Cabinet (or National Board of Directors, or National Planning Board, or whatever name considered desirable). It should be noted that all these representatives would be *elective*, not *appointive*, and thus the evils of bureaucracy would be avoided.

THIS ADMINISTRATIVE STRUCTURE IS OFFERED AS AN ORIGINAL AND MAJOR CONTRIBUTION TO GOVERNMENTAL TECHNIQUES LEADING TO CONTROL BY THE “SOVEREIGN PEOPLE” WITHIN THE STRUCTURE OF OUR CONSTITUTION. THIS IS ECONOMIC DEMOCRACY.

ECONOMIC DEMOCRACY

(DESIGN FOR ABUNDANCE)



COOPERATIVES

Wholesale & Retail Distribution
Food Processing
Clothing & Textiles
Housing
Communications
Transportation
ETC.

Employment Service
Banking
Public Utilities
Agriculture
Steel
Heavy Industries
Fuels
Mining
ETC.

Cultural
Professions
Arts
Health
Education
Press
Radio and TV
Amusements
ETC.

(NOTE: All technical leaders must establish eligibility for positions to which elected or selected, by demonstrated ability, training and rigid tests.)

"BALANCED EXCHANGE" REPLACES PROFITS MOTIVE IN DISTRIBUTION

The above outlines merely the broad features of the ADMINISTRATIVE STRUCTURE under democratic controls. It does not solve the major problem of DISTRIBUTION to replace the moribund profits motive with a new design for distribution of ABUNDANCE.

To provide full distribution of abundance, it is essential that the total amount of goods and services be equal to the total purchasing power of all consumers, and to assure justice in distribution it is essential that purchasing power must be distributed to give each a share commensurate with his contribution to the "general welfare"—present, potential, and accumulated.

We accomplish this by using a BALANCED, NON-CIRCULATING SYSTEM OF EXCHANGE, coupled with a just salary and wage scale.

We commence by calculating the total quantity of goods and services which could be produced, and needed, to provide abundance for everyone, including the amounts required for those outside the cooperative structure, for those too young to enter the employment field, for those who have passed beyond the years where their services are needed, and for the requirements of foreign exchange.

We then determine a just price for such goods and services, as was done under OPA, but scientifically. We then add up the total costs of such goods and services to determine the total annual budget—300 billion dollars, or 400 billion, or 500 billion, or whatever the amount might be. We know that the productive capacity of the country is equal to any demand we might make on it.

We then transfer the amount represented in that total budget into the industrial order, and break it down into salary and wage scales. In such income scales we provide a minimum income adequate to give a high standard of living to the least capable. To the minimum established we add increments for each promotion to a higher level of accomplishment or responsibility. **THUS, MATERIAL INCENTIVES ARE RETAINED.**

EXCHANGE

At the end of each period (week or month) the administrative heads of occupations would certify the amount due each individual to the PEOPLE'S BANKS (the REAL "Banks of America") to be credited to the account of each individual, maintained in the banks.

Payments for goods and services would be made by "personalized checks", similar to Traveller's Checks, through charge accounts, or by cash.

All amounts received by distributing agencies in payment for goods and services would be deposited automatically to the credit of the U.S. Treasury, and would not be used more than once in exchange.

Those employed in distributing agencies would receive wages and salaries through the operation of the system, and not from proceeds on sale. (In a manner similar to that used in Army Commissaries and Ships' Stores). Goods would be delivered to such agencies upon requisition and without charge other than for accounting responsibility.

When all of the goods and services had been BOUGHT AND PAID FOR, all salaries and wages would be expended, and NO PROFITS WOULD ACCRUE. The "hidden sales tax" of profit would have been added as a bonus to increase the purchasing power of every consumer.

Through this design of DISTRIBUTION we would provide a means of BARTERING GOODS AND SERVICES, in our highly-integrated economy, and at the same time would eliminate the wastage of profits in production and distribution.

PRIVATE PROPERTY

Private property for personal use, i.e., homes, cars, radios, television sets, furnishings, and other chattels, would continue to be privately owned. Abundant distribution of these would be assured, as the major purpose would be exactly to accomplish this result.

PRODUCTIVE PROPERTY

All property required in the processes of production and distribution (less agriculture and essential "small businesses") would be repossessed BY THE PEOPLE, and would become the property of all the people. Each citizen would thus become, in effect, the holder of stock in the United States of America. The reasonable rights of present owners would be safeguarded. Property could be taken over by outright purchase, or by time payment purchase, or owners might be pensioned off for the rest of their lives to an amount sufficient to maintain their present standards of living, or other equitable means could be provided to guarantee their security. In the new world of abundance they, too, would have their economic liberties assured. The transfer of property through INHERITANCE would cease, as perpetuating the accumulating of wealth in the hands of the few. Each new generation would be assured economic security, democracy in education and all requirements to permit it to assume its place of responsibility within society.

AGRICULTURE

Agriculture presents a special problem requiring careful consideration. ECONOMIC DEMOCRACY would at last place the independent farmer on a status of equality with other occupations within our society.

Each independent farmer would become an OWNER-MANAGER, and would be paid through the operation of the design at rates corresponding to those of like responsibility in other industries, according to demonstrated abilities. Crops would be delivered to public granaries and warehouses without charge. Farm machinery would be provided without cost. Farm workers would be provided and paid for by the operation of the design and not by the farmer from the proceeds of his own labor. Adequate housing would be provided for the farmer and for farm labor, farms would be electrified and placed on an efficiency basis, hours of work would be reduced to the same levels as in other industries, and the farmers would be given the greater comparative lift which they have deserved.

Through closer cooperation among the farmers themselves marginal farm lands should eventually be eliminated, and the efforts of the farmers concentrated on the more fertile lands.

SMALL BUSINESSES

Provisions similar to those applied in agriculture could be used with equal effect to protect the small business man who is, at present, reduced to trying to survive on the crumbs which fall from the tables of the International Cartelists. The independence and pride in personal accomplishment of the small business man is as important to preserve as is the independence of the farmer. Each small business man, under the design, would become an OWNER-MANAGER. His income would be assured under the distribution of purchasing power. His employees would receive their compensation under the operation of the broad plan. He would assume no risks, would direct his efforts to efficiency in operation, and would serve the "general welfare".

As is true in agriculture, many marginal inefficient, duplicating, wasteful stores and shops could eventually be discarded through the voluntary action of the owners themselves, who would find it to their advantage to combine their energies, voluntarily, and thus increase the efficiency of their businesses, with direct advantage to themselves.

INCENTIVES

The incentives to all workers would be such as to open up a new way of life. A world of abundance, freed of all insecurity, would be assured, and at a higher standard of living than man has ever hoped for. Complete democracy in education and in technical training would be assured to prepare our youth for the work which they desired and for which they have aptitude. Hours of labor would be sharply reduced. The years from twenty to twenty five, up to fifty, would probably be adequate to perform all of the necessary labor, resulting in shorter working hours and years. Our citizens, both men and women, would have the opportunity to prepare themselves for their life's work, and would find clear channels of promotion to higher levels, in opportunity and responsibility. They would gain psychologically from the knowledge that they were working for themselves and for their fellow-men, and not from an anonymous, exploitive "Invisible Empire".

ECONOMIC EMANCIPATION for all, undreamed-of in Lincoln's "Emancipation Proclamation" would be assured for all, in a new era of technological abundance.

The incentives for the industrialists should be no less compelling. They, too, would be freed from economic and psychological insecurities. They would have the opportunity of participating in the inspired task of establishing the new era of abundance and cooperation. If willing to cooperate, they would find the doors open to positions of responsibility in supervising the transitional program. They would be listed as among the first eligible for selection to higher positions of leadership. They could set the example, once they accept the fact that our system of Industrial Feudalism is collapsing, of working with the people, as was done by Lafayette and many others of the Nobility of France when the system of agricultural feudalism collapsed. They would have everything to gain and nothing to lose.

ELIMINATION OF TAXES

Under our design for Economic Democracy, taxation would no longer be necessary. Public utilities services for the payment of which taxes are levied upon individual salaries, would become major cooperative occupations, functioning under the design. In fact, the cooperatives of all of the occupations would become, in effect, public utilities, since such would be their sole purpose—to serve the public.

STATES RIGHTS

The key to sound management, political and economic, is *decentralization* coupled with *coordination*. The principle of States Rights has been undermined in the United States politically by the forces of centralized governmental bureaucracy, and economically by the forces of economic absolutism centralized in Wall Street. The latter controls the former. It is futile to speak of States Rights politically as long as our country is functioning under a centralized economic oligarchy.

The design for Economic Democracy provides for both *political and economic* States Rights, with final authority rested locally in the hands of the people themselves.

ESTABLISHMENT THROUGH DEMOCRATIC PROCESSES

The design could be established effectively only through the voluntary cooperation of present management, labor and government. Only those who understood the technical functioning of each industry would be competent to establish the foundations for the new design. It could not be established by government bureaucrats. It is suggested that the problem of reorganization of each occupation be turned over to technically qualified, *elected* representatives of each industry, and the final plan be submitted to Congress for ratification.

ECONOMIC JUSTICE

Our problem is to lay the cornerstone for a new economic and social age. Then, as a living process, and over a period of years, the new order of economic justice would emerge through the united efforts of all of our people.

By redefining our national objectives in terms of a new culture, of security, of unity, of democracy, made possible in a world of abundances by making maximum use of technology; by eliminating the system of national and international usury; by replacing it with a new technique of exchange and distribution; by establishing an administrative design through which the new system of production for use and abundance can function democratically; and by providing for a peaceful transition founded on brotherhood and good-will; we lay the cornerstone for ECONOMIC EMANCIPATION, which will establish a new foundation for INTELLECTUAL and SPIRITUAL EMANCIPATION.

Having set our house in order, we can then meet with other nations on a basis of unity and understanding. We can eliminate political barriers to the free movement of goods and people, and finally bring about the new order of "One World" founded on peace, justice and cooperation.

CONCLUSION

The world is sick unto death. Once more, as often in the past, the forces of selfishness, corruption and violence, have carried civilization to the verge of disaster.

It is not too late to save ourselves, but the time is short.

We can still, IF WE WORK FAST, save the situation by extending the basic principles of liberty and democracy established under our Constitution into the economic field, and thus establish a sound basis for both national and international policy.

Will the United States meet this challenge?

As was true in past ages for Egypt, Babylonia, Greece and Rome, when civilization disintegrated because of lack of vision, it is true today for the United States. We walk the "razor's edge".

On the one hand lies disaster, national and international. On the other a "life more abundant" so inspiring as to be beyond the comprehension of the human mind.

In France, at the end of the Middle Ages, agricultural feudalism had destroyed itself. The fertile lands had been concentrated into the hands of the Nobility and higher Clergy. The peasantry had been reduced to beggary. The wars of Louis XIV had bankrupted the country. Because the leadership of France was unable to adjust psychologically to the accomplished fact, adjustment was finally made through the violence of the "Reign of Terror". Similarly, in our South prior to the Civil War, negro slavery agriculture had destroyed itself, and the inability of the wealthy planters to adjust to that accomplished fact resulted in adjustment through the violence of Civil War.

Today our system of Industrial Feudalism has also ended in a blind alley and has destroyed itself. The issue before us is whether we, too, are so crystallized in our psychological processes as to be incapable of adjusting, logically and non-violently, to this accomplished fact, or whether we, too, will resort to violence and in the process end in disaster.

If we fail, the lights go out.

If we succeed—as we must—we shall lay the foundation for a new world of achievement of limitless possibilities.

The way of COMPETITION FOR PROFITS is the way of DEATH.

The way of COOPERATION FOR HUMAN WELFARE is the way of LIFE.

May Infinite Intelligence guide us to a new world of unity, cooperation, good-will, and peace!

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Herbert C. Holdridge